Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

CONFIDENTIAL

PAGE 01 HONG K 06896 011552Z
ACTION EA-12

INFO OCT-01 ISO-00 SNM-05 ONY-00 /018 W
----------037663 011555Z /42 R
P 010820Z JUN 78
FM AMCONSUL HONG KONG
TO SECSTATE WASHDC PRIORITY 645

C O N F I D E N T I A L HONG KONG 6896

STADIS//////////////////////////

E.O. 11652: GDS
TAGS: SNAR , HK, MC
SUBJ: BRIEFING PAPER FOR CODEL WOLFF/RANGEL

REF: A) STATE 132488 B) BANGKOK 14712

1. CONCERTED EFFORTS TO ROOT OUT POLICE CORRUPTION AND CONCERN THAT HONG KONG'S REPUTATION WAS BEING TARNISHED BY ITS PROMINENT ROLE IN INTERNATIONAL TRAFFICKING HAVE PROMPTED INCREASINGLY EFFECTIVE ANTI-NARCOTICS ENFORCEMENT MEASURES BY THE HKG IN RECENT YEARS. WITH ENFORCEMENT HERE TIGHTER, IT HAS MADE LITTLE SENSE FOR TRAFFICKERS TO RISK FIRST IMPORTING THEN PROCESSING NARCOTICS FOR RE-EXPORT WHEN OTHER, LESS RISKY VENUES ARE READILY AVAILABLE IN THE REGION. AS A REFLECTION OF THIS, IN RECENT YEARS THERE HAS BEEN A SIGNIFICANT MIGRATION OF HEROIN CHEMISTS FROM HONG KONG TO THE OPIUM GROWING AREAS OF SOUTHEAST ASIA. HONG KONG AT PRESENT IS NO LONGER A SIGNIFICANT SOURCE OR TRANSSHIPMENT POINT OF HEROIN BOUND FOR THE U.S. OR OTHER DESTINATIONS,ALTHOUGH IT CONTINUES TO BE TROUBLED BY ILLICIT IMPORTATION OF NARCOTICS (PRIMARILY NUMBER 3 HEROIN) FOR THE DOMESTIC MARKET. HONG KONG'S OWN ADDICT POPULATION HAS STABILIZED AT ABOUT 60,000 (APPROXIMATELY 50,000 HEROIN) ACCORDING TO THE LATEST HKG ESTIMATE. THE TYPICAL ADDICT IS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 06896 011552Z

AN ADULT MALE, EMPLOYED IN UNSKILLED OR SEMI-SKILLED WORK. FEW WOMEN ARE ADDICTED NOR HAVE DRUGS SNARED MANY OF HONG KONG'S YOUTH.

2. WHILE NO LONGER IMPORTATNLY INVOLVED IN THE DIRECT EXPORT OF HEROIN TO THE U.S., SUSPICIONS PERSIST THAT HONG KONG PLAYS AN IMPORTANT ORGANIZATIONAL AND

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

FINANCIAL ROLE IN INTERNATIONAL TRAFFICKING. THESE SUSPICIONS ARE LARGELY CIRCUMSTANTIAL. NARCOTICS TRAFFICKING FROMTHE REGION IS LARGELY CONTROLLED BY ETHNIC CHINESE, PRIMARILY CHAUCHOW CHINESE WHO ARE ALSO FOUND IN SIZEABLE NUMBERS IN HONG KONG. CLAN, BUSINESS AND SOCIAL TIES BETWEEN THE CHAUCHOW RESIDENT HERE AND THEIR FELLOW PROVINCIALS THROUGHOUT SOUTHEAST ASIA ARE CLOSE, AND IT IS NATURAL TO ASSUME THEY EXTEND TO NARCOTICS DEALINGS. ADDITIONALLY THE COMPLEX SYSTEM OF NATIVE CHINESE BANKING FACILITIES AVAILABLE IN HONG KONG AND THE WHEELING-DEALING, MINIMALLY REGULATED FREE ENTERPRISE SYSTEM HERE PROVIDE A HOSPITABLE ENVIORNMENT FOR FUNDING TRAFFICKING OR FOR THE PROCEEDS FROM SUCH ACTIVITY. MANY OF THESE ATTRIBUTES, HOWEVER, ARE NOT UNIQUE TO HONG KONG. UNFORTUNATELY, THERE ARE LARGE GAPS IN OUR KNOWLEDGE OF HOW THE CHINESE-RUN INTERNATIONAL DRUG TRADE OPERATES. FILLING THESE GAPS WILL REQUIRE LONG AND CAREFUL INVESTIGATION, PROBABLY INCLUDING GREATER ATTENTION THAN HAS BEEN GIVEN TO DATE TO THE FINANCES OF TRAFFICKING.

3. THERE IS NO RPT NO EVIDENCE TO SUPPORT THE ASSERTION IN REF B THAT MACAU IS A TRANSSHIPMENT POINT FOR TRAWLER SHIPMENTS FROM THAILAND TO HONG KONG. THE DEA OFFICE HERE AND HKG ANTI-NARCOTICS
CONFIDENTIAL

AUTHORITIES, WHO MAINTAIN A CLOSE AND COOPERATIVE RELATIONSHIP WITH THEIR COUNTERPARTS IN AMCAU, ARE UNAWARE OF ANY SUCH ACTIVITY AND DO NOT RPT NOT BELIEVE IT IS TAKING PLACE. OUR ACTING SAIC TRACES THE ALLEGATION BACK TO ABOUT TWO YEARS AGO WHEN STRICT AND SUCCESSFUL HKG ENFORCEMENT AGAINST THAI TRAWLERS PRODUCED A WIDELY-HELD SURMISE THAT THE TRAFFICKING TRAWLERS WOULD TURN TO THE MACUA ROUTE. THIS HAS NOT TURNED OUT TO BE THE CASE, AND FOR WELL OVER A YEAR NOT EVEN A RUMOR ON THE SUBJECT HAS BEEN HEARD.

4. OUR UNENTHUSIASTIC ATTITUDE TOWARD THE ESTABLISHMENT OF A REGULAR PATTERN OF DEA LIAISON WITH MACAU DERIVES LESS FROM ITS PROXIMITY TO THE PRC THAN FROM DOUBTS ABOUT THE NEED FOR SUCH LINKS GIVEN THE ABSENCE OF ANY INDCATION THAT MACAU PLAYS A ROLE IN INTERNATIONAL TRAFFICKING.
SHOESMITH

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DRUG TRAFFIC, BRIEFING MATERIALS, CODELS, ALLEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 jun 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978HONGK06896
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780229-0830
Format: TEL
From: HONG KONG
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197806108/aaaadpaa.tel
Line Count: 113
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d5a2c97d-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY, STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY, STADIS
Reference: 78 STATE 132488, 78 BANGKOK 14712
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 31 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2165283
Secure: OPEN
Status: NATIVE
Subject: BRIEFING PAPER FOR CODEL WOLFF/RANGEL
TAGS: SNAR, HK, MC, US
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/d5a2c97d-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014